



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Boards of Administration for
the Police & Fire Dept.
Retirement Plan

SUBJECT: Legal Services Agreement

DATE: 03-17-04

RECOMMENDATION

Adoption of a resolution authorizing the City Attorney to execute a legal services agreement with Nossaman Guthner Knox & Elliott LLP for a total compensation not to exceed \$200,000.

BACKGROUND

The Federated City Employees' Retirement System and the Police and Fire Department Retirement Plan have used the services of outside real estate legal counsel since 1992. Last November, the Police and Fire Plan sold their 50% interest in the jointly held properties to the Federated System, and decided to hire their own real estate legal counsel. A Request for Proposal ("RFP") for real estate legal services was sent out and interviews were conducted at the end of January 2004.

ANALYSIS

The Retirement Department staff reviewed the RFP responses and recommended three firms as finalists to be interviewed, Bingham McCutchen; Nossaman Guthner Knox & Elliott LLP ("Nossaman"); and Foster Pepper & Sheffelman. Following interviews, the real estate committee and staff met to evaluate the three firms and Nossaman was recommended to the Board due to the quality of their firm and competitive fees.

The maximum compensation in the agreement will be used to cover expenses that will include, but not be limited to, the following:

❖ General Operational Legal:

- Preparation of property management and leasing agreements
- Handling legal matters pertaining to tenant delinquencies
- Attending subcommittee and Board meetings as required

❖ Acquisitions/Dispositions:

- Preparation and/or review of purchase and sale agreements
- Preparation and/or review of all closing and escrow documents
- Formulation of title holding company

❖ Other Legal:

- Special projects and research
- Unexpected legal situations

The Board of Administration for the Police and Fire Plan approved the selection of Nossaman at their March 4, 2004 meeting.

PUBLIC OUTREACH

Not applicable.

COORDINATION

Preparation of the agreement was coordinated with the Office of the City Attorney.

COST IMPLICATIONS

The expenses will be paid from the Police and Fire Retirement Fund. In accordance with the Mayor's Budget Strategy, this proposal meets the following General Principle:

- Continue to emphasize prevention and expenditures that reduce costs to the City and our community.

BUDGET REFERENCE

Fund:	Police and Fire Retirement Fund
Amount:	\$200,000
Budget Document:	2003-2004 Operating Budget Page 902 – Police and Fire

CEQA

Not a Project.

EDWARD F. OVERTON
Secretary, Board of Administration